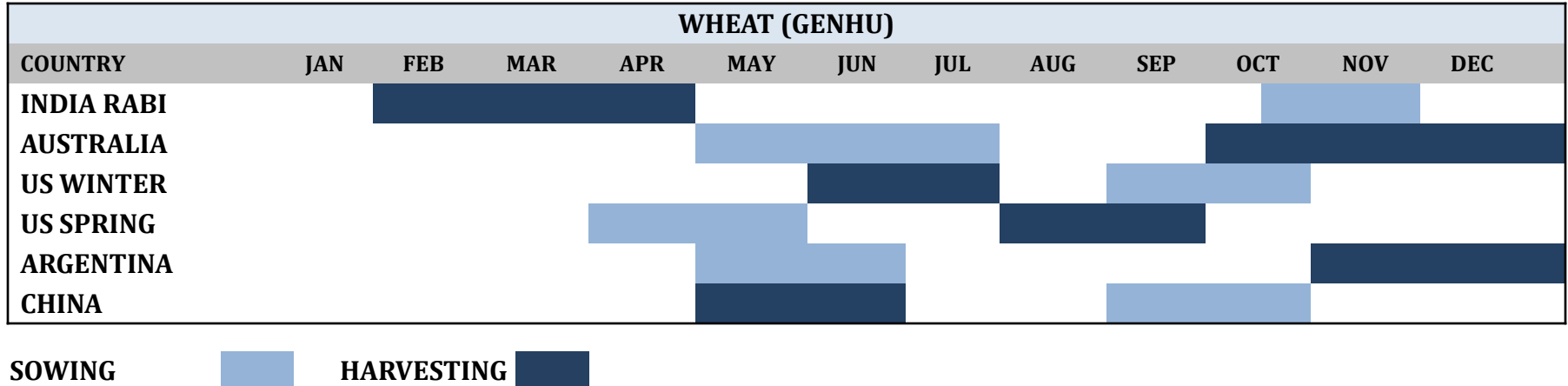


# *Wheat*

Monday, July 14, 2014

- ❖ Wheat is the third most important food crop after Maize and Rice in the world.
- ❖ Wheat is an annual crop cultivated in summer and winter seasons in different countries
- ❖ India is one of the major producers of wheat in the world
- ❖ Uttar Pradesh has the highest area under cultivation but the productivity is high in the food bowls of Haryana and Chandigarh
- ❖ Around 25 species cultivated across the globe
- ❖ World production ranges between 550-750 MMT
- ❖ Wheat is important especially for making breads and other bakery products as it has got the maximum number of gluteins as compared to any other grain
- ❖ Wheat occupies a major share of 35% production in the total production of crops cultivated and 65% of total cropped area in the country



- ❖ Wheat is a Rabi crop. It is sown in the winter months of October- December and harvested in the months of March-April
- ❖ Wheat is grown in two seasons in United States. In Australia and Argentina, wheat is grown as a summer crop
- ❖ Sowing in Australia and Argentina starts during May-June and harvesting is done in the months of November and December

# India Supply and Demand: Global

Years	Total Supply (Million Tonnes)			Total Demand (Million Tonnes)		
	Beg. stocks	Imports	Production	Exports	Consumption	Ending Stocks
2007-08	134.33	113.41	612.62	116.66	614.83	128.88
2008-09	128.88	137.84	683.46	144.17	637.08	168.94
2009-10	168.94	133.72	687.01	137.00	650.88	201.78
2010-11	201.78	131.51	652.37	133.09	653.59	198.98
2011-12	198.98	149.32	697.50	157.78	688.65	199.37
2012-13	199.37	144.24	655.49	137.17	685.83	175.59
2013-14*	175.59	81.00	714.00	162.00	695.61	186.53
2014-15*	186.53	149.84	697.03	151.81	694.18	187.41

Source: USDA (\* Estimates), (Unit – Million Tonnes)

- ❖ European Union, China, India, Russia and United States are the major wheat producers in the world.
- ❖ European Union alone contributes nearly 29% of the total wheat production
- ❖ The major exporters are United States, Australia and Russia
- ❖ Even though European Union is the largest producer of wheat in the world, it occupies fifth place in major exporters in the world
- ❖ Even though India does not have major contribution in the world exports
- ❖ Russia is the fourth largest producer and third largest exporter of wheat

# Wheat Supply and Demand: India

Years	Total Supply (Million Tonnes)			Total Demand (Million Tonnes)		
	Beg. stocks	Imports	Production	Exports	Consumption	Ending Stocks
2007-08	4.50	1.96	75.81	0.05	76.42	5.80
2008-09	5.80	0.07	78.57	0.02	70.92	13.43
2009-10	13.43	0.22	80.68	0.06	78.15	16.12
2010-11	16.12	0.27	80.80	0.07	81.76	15.36
2011-12	15.36	0.02	86.87	0.89	81.40	19.95
2012-13	19.95	0.02	94.88	6.82	83.82	24.20
2013-14	24.20	0.02	93.51	6.00	93.90	17.83
2014-15*	17.83	0.02	94.00	3.50	92.05	16.30

Source: USDA (\* Estimates), (Unit – Million Tonnes)

❖ India is the third largest wheat producer in the world contributing 18% of the total wheat production in the world

❖ Uttar Pradesh is the largest producer of Wheat in India since it occupies a majority of area under Wheat

❖ Punjab is the second largest producer followed by Haryana; productivity is highest in these states

❖ Both production and consumption of wheat in India has grown at a CAGR of 3% and 5% respectively in the last 6 years

❖ Consumption has been increasing mainly driven by growing population, increased off take by flour mills, bakeries for various processed products

- ❖ Weather pattern
- ❖ Government policies: MSP, Procurements for PDS
- ❖ Prices fluctuations of the competitive and substitute products
- ❖ Season of harvesting and peak season
- ❖ Crop Size
- ❖ Global inventory level

CBOT: Trading Unit- cents/bushel

NCDEX: Trading Unit- Rs./Quintal

Spot Markets: Delhi

*Thank you*

Contact us at : [commodity@karvy.com](mailto:commodity@karvy.com)  
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